

Message Text

UNCLASSIFIED

PAGE 01 OTTAWA 01455 222255Z

20

ACTION EUR-12

INFO OCT-01 ISO-00 FEA-01 ERDA-07 AID-05 CEA-01 CIAE-00

CIEP-02 COME-00 DODE-00 EB-07 FPC-01 H-02 INR-07

INT-05 L-02 NSAE-00 NSC-05 OMB-01 PM-03 SAM-01 OES-05

SP-02 SS-15 STR-04 TRSE-00 FRB-01 PA-02 PRS-01 USIA-15

/108 W

----- 127084

R 222235Z APR 75

FM AMEMBASSY OTTAWA

TO SECSTATE WASHDC 6210

INFO AMCONSUL MONTREAL

UNCLAS OTTAWA 1455

E.O. 11652: N/A

TAGS: ENRG, CA, US

SUBJ: ENERGY: EXPORT OF LIQUEFIED NATURAL GAS TO
U.S. DENIED BY NEB

FOLLOWING IS TEXT OF NEB PRESS RELEASE OF APR 17
CONCERNING EXPORT OF LIQUEFIED NATURAL GAS TO THE U.S.:

BEGIN TEXT.

THE NATIONAL ENERGY BOARD TODAY ANNOUNCED IT HAS DENIED
AN APPLICATION BY GAZ METROPOLITAIN INC. OF MONTREAL TO
EXPORT, DURING 1975, UP TO 20 MILLION GALLONS OF
LIQUEFIED NATURAL GAS TO COMPANIES IN NORTHEASTERN
UNITED STATES.

THE BOARD HAS DENIED THE APPLICATION ON THE GROUNDS THAT
THE XPORT WOULD BE CONTRARY TO THE CANADIAN PUBLIC INTEREST
AT A TIME WHEN THE DEMAND FOR GAS IN CANADA IS NOT BEING
FULLY SATISFIED.

UNCLASSIFIED

UNCLASSIFIED

PAGE 02 OTTAWA 01455 222255Z

GAZ METROPOLITAIN BASED ITS APPLICATION ON THE FACT

THAT, BECAUSE THE PAST WINTER WAS MILDERTHAN NORMAL, IT NOW HAS A FAIRLY LARGE INVENTORY OF LIQUEFIED NATURAL GAS WHICH IT COULD DISPOSE OF. THE COMPANY USUALLY TAKE DELIVERY OVER THE SUMMER AND EARLY FALL MONTHS OF VOLUMES OF NATURAL GAS IN EXCESS OF ITS CUSTOMER'S DAILY REQUIREMENTS, LIQUEFYING THE EXCESS TO PROVIDE FOR WINTER PEAK DEMAND.

GAZ METROPOLITAIN WAS UNABLE TO SELL THE EQUIVALENT VOLUME OF THE GAS IT CONSIDERS AVAILABLE FOR EXPORT, ABOUT 1.5 BILLION CUBIC FEET, TO POTENTIAL CANADIAN CUSTOMERS AT AN OFFERING PRICE OF \$2.00 PER THOUSAND CUBIC FEET.

THE EXPORT PRICE SET BY THE COMPANY WOULD HAVE BEEN EQUIVALENT TO \$2.50 PER THOUSAND CUBIC FEET, NOT INCLUDING TRANSPORTATION CHARGES FROM MONTREAL.

THE CONSUMERS' GAS COMPANY, TORONTO AND UNION GAS LIMITED, CHATHAM, ONTARIO HAD INFORMED THE BOARD OF THEIR OPPOSITION TO THE PROPOSED SALE OF LIQUEFIED NATURAL GAS. END TEXT. PORTER

UNCLASSIFIED

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: NATURAL GAS, EXPORTS, PRESS RELEASES, PRICES
Control Number: n/a
Copy: SINGLE
Draft Date: 22 APR 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1975OTTAWA01455
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D750141-0821
From: OTTAWA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1975/newtext/t19750428/aaaabalq.tel
Line Count: 83
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EUR
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: ShawDG
Review Comment: n/a
Review Content Flags:
Review Date: 24 NOV 2003
Review Event:
Review Exemptions: n/a
Review History: RELEASED <24 NOV 2003 by MaustMC>; APPROVED <30 DEC 2003 by ShawDG>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
05 JUL 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: ENERGY: EXPORT OF LIQUEFIED NATURAL GAS TO U.S. DENIED BY NEB
TAGS: ENRG, CA, US, NEB
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 05 JUL 2006